

STATE LAND DEPARTMENT OF THE STATE OF ARIZONA  
BEFORE THE STATE LAND COMMISSIONER

IN THE MATTER OF APPLICATIONS TO  
PURCHASE NOS. 21-93375, 21-93376,  
21-93377, 21-93378 AND 21-93379  
FOR THE GROUNDWATER DESCRIBED  
THEREIN.

APPLICANT: CYPRUS BAGDAD COPPER CO.

AUTHORIZATION OF SALE

The time for appealing the appraised value of the groundwater described in the application referenced in the caption of this Order expired on June 30, 1986.

The State Land Commissioner authorizes the sale of the subject groundwater and improvements (if applicable) according to the provisions of the law in such cases made and provided for not less than the appraised value, with special conditions as follows:

a. A minimum charge for groundwater used in the conduct of lessee's business will be assessed each year. This charge will be subject to annual reappraisal.

b. Lessee agrees to pay the Department for all groundwater withdrawn over the minimum amount.

c. Monthly reports of groundwater must be submitted to the Department on standard forms supplied by the Department.

d. Lessee is required to measure withdrawals if groundwater is pumped from a non-exempt well. However, if well has been granted a Type 2 Grandfathered Right or a groundwater withdrawal permit for ten acre feet or less, there is no requirement to measure withdrawals.

e. The Arizona Department of Water Resources requires an annual report of groundwater pumped from non-exempt wells within Active Management Areas and Irrigation Non-Expansion Areas. The annual report and any withdrawal fee should be submitted to the Land Department in a timely manner, as set by the Department.

f. If groundwater is pumped off State land or is used for purpose(s) different from the lease, then lessee must immediately notify the Department to hold a public auction sale for the water.

g. Department personnel will have access to well(s) during reasonable hours.

The State Land Commissioner has determined that the interests of the State will not be prejudiced by the sale.

1 IT IS ORDERED that the groundwater and improvements (if appli-  
2 cable) as described in Applications to Purchase Nos. 21-93375, 21-93376,  
3 21-93377, 21-93378 and 21-93379 be sold to the highest and best bidder at  
4 public auction.

5 This Order shall become final and effective thirty (30) days from  
6 the date of this Order unless a request for hearing or review is filed  
7 prior to the expiration of that time pursuant to State Land Department Rule  
8 R12-5-01(R).

9 GIVEN under my hand and the official seal of the Arizona State  
10 Land Department this 18th day of July, 1986.

11 STATE  
12 LAND  
13 DEPARTMENT  
14 SEAL

for ROBERT K. LANE  
State Land Commissioner

by: Gerald L. Smith

11 Certified No. 403956 Cyprus Bagdad Copper Co.  
12 P.O. Box 245  
13 Bagdad, Arizona 86321

14 Copy to: Attorney General's Office, Natural Resources Division  
15 Sales Section, Contracts & Records Division  
16 Data Management, Resource Analysis Division  
17 Public Counter

18 Appeal of this Order may be made to the State Land Commissioner, attention:  
19 Sales Administrator, Contracts and Records Division.

20 0013 -86/87